

The Office of Acquisition and Logistics Management Newsletter – May/June 2016

RATIFICATION OF UNAUTHORIZED COMMITMENTS

Effective February 1, 2016, in accordance with FAR 1.602-3 and HHSAR 301.602-3, all ratifications of unauthorized commitments must be approved by the Head of the Contracting Activity (HCA) for the National Institutes of Health (NIH). No other re-delegations are authorized.

While the HCA approves the ratifications, her office also coordinates with Office of the General Council (OGC) prior to approval and must provide a copy of the approved ratification to the Senior Procurement Executive (SPE). An unauthorized commitment is an agreement that is not binding solely because the Government representative who made it lacked the authority to enter into that agreement on behalf of the Government. Positive action should be taken to preclude, to the maximum extent possible, the need for ratification actions.

Some examples of potential Unauthorized Commitments but are not limited to, include the following:

1. Publication of an article prior to a contractual agreement
2. Payment of monthly invoices for shredding services, without a proper underlying contract, task order/delivery order or BPA Call
3. Equipment delivery and invoice without a proper underlying contract, task order/delivery order or BPA Call
4. Monthly cell phone bill payments without an underlying agreement
5. Service calls for equipment repair (copiers, scientific equipment) that did not involve the purchase cardholder
6. Contacting vendors and telling them to charge the cardholder's account for additional supplies or services without their authorization
7. Supplies/services are ordered by someone not named on a purchase card or identified in a contract or blanket purchase agreement. **Note:** a funding document is not a contractual document
8. Contractor starts work before the contractual document is issued or awarded by a contracting officer
9. An invoice is received from a contractor, but no purchase order or contract exists for the items or work described on the invoice
10. Purchase cardholder exceeds single purchase limitation without proper authorization/delegation of authority.

Requesting Ratification

A ratification request, must be submitted to the Director, Office of Acquisition (OA), then routed to the Director, of the Division of Acquisition Policy and Evaluation (DAPE) within OALM located at 6100 Executive Blvd., Room 6C01-D Rockville, MD 20852.

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The DAPE Director will assign the ratification request to a Procurement Analyst for review, provide feedback to the requesting Office of Acquisition (OA), coordinate with the OGC, provide OGC's comments to the requesting OA and finally make a presentation to the NIH HCA with either a recommendation for approval or a reason why approval is not advised.

For unauthorized commitments occurring in the delegated acquisition community, the memorandum must be routed through the IC's assigned OA and then forwarded to the DAPE Director.

All ratification requests must have the following signatures:

- 1) The person responsible for the unauthorized commitment;
- 2) Their immediate supervisor;
- 3) The Program Office Director or Executive Officer;
- 4) The Budget Officer;
- 5) The Contracting Officer; and
- 6) The Director of the assigned Office of Acquisition.

Upon approval or disapproval of the request for ratification, the Procurement Analyst will send the document to the requesting Office of Acquisition or Delegated Office of Acquisition for appropriate action. The analyst will also provide a copy of the ratification, if approved, to the HHS SPE in accordance with HHSAR 301.602–3(c).

Please see the suggested template for use in processing Ratifications f Unauthorized Commitments at the following link:

[Template for Unauthorized Commitment Action / Ratification Request](#)

SharePoint Locations Changed for sites in the Office of Acquisition and Logistics Management (OALM)

Recently, several SharePoint site URLs within the Office of Acquisition and Logistics Management have changed. Old links will redirect to the new URLs automatically but it is recommended that bookmarks be updated. **Note:** SharePoint works best with an MS Internet Explorer Browser, slightly less well using Google Chrome Browser and will not

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function using the Firefox Browser. If you have issues opening the SharePoint sites, ensure your browsers have been updated to the latest version.

The Acquisition Management Committee (AMC) SharePoint Site

The AMC is made up of Chief Contracting Officers and is chaired by the NIH Head of the Contracting Activity. The AMC serves as the primary source for review and discussion prior to the establishment of acquisition policies and procedures; for resolution of acquisition problems not unique to one acquisition component; and for advice and recommendations on Federal and Departmental acquisition regulation and policies and other decisions, statutes, and issuances that affect the acquisition community. The (AMC) meets on the second and fourth Tuesday of each month (excluding the fourth Tuesdays in September and December). This SharePoint site includes:

- Upcoming AMC Materials
- Archived AMC Materials
- Calendar of Events

[Acquisition Management Committee SharePoint Site](#)

Simplified Acquisition Committee (SAC) SharePoint Site

The SAC is a standing sub-committee of the AMC and serves in an advisory capacity to the Director, Division of Simplified Acquisition Policy and Services (DSAPS) on all aspects of simplified acquisitions including policies and procedures. The Committee's area of responsibility encompasses all simplified acquisitions including Delegated Procurement activities in the ICs and simplified acquisitions within the Offices of Acquisition (OA). The SAC meets the fourth Wednesday of every month. This SharePoint Site includes archives of:

- Agendas
- Meeting Minutes
- Presentations

[Simplified Acquisition Committee SharePoint Site](#)

Acquisition Services and Review Branch (ASRB) Customer Facing SharePoint Site

The Acquisition Services and Review Branch provides Simplified Acquisition oversight, regulatory, procedural and policy guidance to the NIH Delegated Offices of Acquisition and Simplified Acquisition Staff in the Offices of Acquisitions. This SharePoint site includes:

- Rules (Laws, Regulations and Policies)

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- Tools (Best Practices)
- Help (Simplified Acquisition Policy Help Desk)
- Acquisition Compliance Review Information
- Helpful Links

[Acquisition Services and Review Branch SharePoint Site](#)

Purchase Card Billing Discrepancy or Possibility of Fraud

It is critical for cardholders and card approving officials (CAO) to regularly review purchase card account activity for erroneous charges. NBS sends an automatic email when new charges are loaded into NBS. If a cardholder does not recognize a charge, they should determine if it is a billing discrepancy or a fraudulent charge. The two are further defined below and depending on which category the charge falls under, different steps need to be taken by the cardholder or CAO within specific timeframes. For billing discrepancies, cardholders have 90 days to dispute the transaction and report it to the bank. For fraudulent charges, cardholders have 60 days to report the possible fraud to the bank.

What is a Billing Discrepancy?

- A transaction that the cardholder cancelled, but was processed by the merchant anyway
- A transaction that is not recognized, but is from a merchant with whom the cardholder or agency regularly conducts business with
- A transaction for which the cardholder has a receipt, but the amount on the receipt and the amount posted in NBS do not match
- Duplicate transactions (i.e., same merchant, same amount and date)
- Returned merchandise

What are Fraudulent Charges?

- A transaction that is not recognized, and is from a merchant whom the cardholder or the agency does not conduct business with
- A transaction on a card that was physically lost or stolen
- A transaction that may seem suspicious

How to handle Billing Discrepancies:

1. Cardholder must contact the merchant directly and attempt to resolve the billing issue by determining if the questionable charge is a result of a billing error. Most billing

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discrepancies can be easily and quickly resolved within **2 weeks** of the transaction postdate.

2. If the cardholder is not able to resolve the issue with the merchant within 2 weeks, the cardholder should immediately complete a dispute form and submit it to JPMorgan via email at CCSColumbusDisputes@chase.com **within 90 days** of the transaction date. The purchase card office must be copied on your dispute submission to the bank.
3. Once the dispute form is received by the bank, cardholders should expect to see a temporary credit in the amount of the disputed charge on their reconciliation statement within 3- 5 business days. If they do not, they must contact the bank to follow-up on the status of the dispute. Cardholders and CAOs may be held personally liable for failure to dispute incorrect or improper charges, and the cardholders' account may be suspended until the dispute issue is resolved or paid back.
4. In NBS, this credit should be matched to the disputed transaction in the dispute/credit tab and cleared
5. Throughout the dispute process the bank's dispute analyst assigned to the case may require additional information from the cardholder to pursue the claim. Cardholders should be aware of any attempts made by the bank to obtain any necessary information until the dispute is resolved. Failure to respond to inquiries or provide requisite information in a timely manner may result in the bank's decision to close the case and reverse the temporary credit leaving NIH to pay for an unauthorized charge.
6. Once the bank makes a final decision, cardholders should receive written communication stating the resolution of the dispute (i.e., resolved in favor of the merchant or cardholder). **IMPORTANT:** If the Cardholder does not agree with the bank's decision, they must respond immediately by contacting the bank to refute the reversal of the credit.

How to handle Fraudulent Charges:

1. The Cardholder should immediately contact JP Morgan at 1-888-297-0781 to let them know that they believe their account has been compromised. The bank will then close the account and issue a new card. All fraud charges must be reported to the bank within **60 days** from the statement date in order for the bank to issue corresponding fraud credits. If this is not done, NIH is left to pay for invalid charges.
2. Send an email to the Purchase Card Program at Creditcard@od.nih.gov that their card has been compromised. The Purchase Card Program will follow-up with the cardholder for additional information on the compromise and also ensure that the new card

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information is updated accordingly. If the cardholder writes convenience checks, they must notify the bank so that checks may be reordered to correspond to the new account. **NOTE:** Any outstanding checks that did not post to the Cardholder's account prior to it being closed must be reissued as they will no longer be honored by the bank.

3. Ensure that associating fraud credits are issued by the bank. Once the credits appear in the cardholder's statement, they should be matched to the disputed charge(s) in NBS.

If you have any questions on the dispute or fraud process, please contact the NIH Purchase Card Helpline at 301-435-6606 or the Helpdesk at creditcard@od.nih.gov.

Women-Owned Small Business Program Sole Source Authority is Now Available to Contracting Officers in Certain Circumstances

On December 31, 2015, the FAR Council adopted an interim rule incorporating the Women-Owned Small Business (WOSB) Sole Source Authority. This adopted interim rule made a number of changes to the FAR relating to the implementation of the new WOSB sole source authority. [FAR 19.1506](#) entitled, "Women-Owned Small Business Program Sole Source Awards" is active and ready for use!

[FAR 19.1506](#) – Women-Owned Small Business Program Sole Source Awards states that a Contracting Officer shall consider a contract award to an Economically Disadvantaged Women-Owned Small Business (EDWOSB) or a Women-Owned Small Business (WOSB) concern before considering a small business set-aside.

The Contracting Officer may award an EDWOSB or WOSB sole source contract when the following factors exists:

1. When none of the exclusions in FAR 19.1504 apply:
 - Requirements that an 8(a) concern is currently performing under the 8(a) Program or that SBA has accepted for performance under the authority of the 8(a) Program, unless SBA has consented to release the requirements from the 8(a) Program;
 - Requirements that can be satisfied through award to--
 - Federal Prison Industries, Inc. (see [FAR Subpart 8.6](#)); or
 - AbilityOne participating non-profit agencies for the blind or severely disabled (see [FAR Subpart 8.7](#));
 - Orders under indefinite-delivery contracts (see [FAR Subpart 16.5](#)). (But see 16.505(b)(2)(i)(F) for discretionary set-asides of orders); or

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- Orders against Federal Supply Schedules (see [FAR Subpart 8.4](#)). (But see 8.405-5 for discretionary set-asides of orders.)
- 2. The acquisition is assigned an [EDWOSB or WOSB Program NAICS code](#)
- 3. The Contracting Officer does not have a reasonable expectation that offers would be received from two or more EDWOSBs or WOSBs
- 4. The anticipated price of the contract, including options, will not exceed \$6.5 million for a contracts with a manufacturing NAICS code or \$4 million for contracts within any other NAICS code
- 5. The EDWOSB or WOSB has been determined to be a responsible contractor
- 6. The contract award can be made at a fair and reasonable price

For acquisitions at or below the simplified acquisition threshold, [FAR 19.203\(b\)](#) states the requirement at [FAR 19.502-2\(a\)](#) to exclusively reserve acquisitions for small business concerns does not preclude the contracting officer from awarding a contract to a small business under the 8(a) Program, HUBZone Program, SDVOSB Program, or WOSB Program.

The NIH Small Business Program Office is excited about this new change! We are eager to assist you with utilizing the WOSB program. Contact the NIH Small Business Program Office, Program Manager, Annette Owens-Scarboro, at 301-496-9639 or email ScarboroA@od.nih.gov.

IT Procurement Crunch Time! ☹️ Let NITAAC Help!

The end of year rush is coming! Wouldn't it be easier navigate if commodity buys were awarded in days instead of weeks and complex IT contracts in weeks instead of months? Learn how NITAAC contract vehicles can make your end of year procurements as painless as possible.

Start preparing now for the years' end crunch time by attending one of NITAAC training sessions. NITAAC has three Government-Wide Acquisition Contracts (GWACs) that will make life a little easier. Who doesn't want to save time and money, while earning Continuous Learning Points (CLPs) that are applicable to both the both the [Defense Acquisition Workforce Improvement Act \(DAWIA\)](#) and [Federal Acquisition Certification \(FAC\) programs](#)?

Attendees will learn how to use NITAAC's electric-Government Ordering System (e-GOS) to access its three GWACs (CIO-SP3, CIO-SP3 Small Business and CIO-CS) and their new RFQ-free Strategic Solutions program for brand name desktops and laptops. NITAAC will also demo e-GOS, the online system that allows customers to compete IT requirements faster and more easily.

NITAAC's free training sessions will cover:

- Features and benefits of NITAAC
- Small Business set-aside

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- Value-added services
- Live system demonstration of the NITAAC website and e-GOS

NITAAC offers several different training options from which to choose: [training at your location](#), [a monthly webinar session](#), or you can come to one of our [on-site trainings at the NIH Campus](#).

If customers have questions about specific requirements, please call the NITAAC Customer Support Center at 1-888-773-6542 or email NITAACsupport@nih.gov. Customers can always count on:

- 1-hour response to any contractual, technical or procedural question
- Customized support from Contract and IT Specialists
- Fast technical assessments within 24 hours on SOW's/SOO's/PWS's
- Library of tools and templates based on 20+ years of government wide IT contracting

It's never too early to start planning this year's IT Procurements. We certainly hope you'll look to NITAAC GWACs for ***Everything IT!***

Indirect Cost Ceiling Rates Practice Change

DFAS's long-time practice regarding indirect cost ceiling rates in rate agreements has changed. We no longer negotiate new company-wide indirect cost ceiling rates which cap final indirect cost rates. With this change it is very important to remind Contracting Officers of their responsibility to include ceiling rates in individual contracts when there is substantial risk to the Government or when other circumstances warrant ceiling rates. Examples of circumstances to consider when negotiating indirect cost ceiling rates in contracts are available in FAR 42.707(b). Please contact Emma Smith at 301-496-4495 or via email at smithe4@od.nih.gov if you have questions pertaining to DFAS's change in its treatment of ceiling rates.

The NIH Document Generation System (DGS) Training

The DGS Team is conducting two training sessions on Tuesday, June 7, 2016 at the NCI-Shady Grove Campus (9609 Medical Center Drive, Room 2W908). These sessions will be a hands-on opportunity to learn how to use and navigate the DGS to create Request for Proposal and Contract documents. This is computer based training for those using the system to complete their solicitations and contracts using the uniform contract format. This training is **not** intended for acquisition staff in the Delegated Offices of Acquisition utilizing the NBS Prism contract writing software.

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The first session will outline the full functionality of the system including creating, editing and finalizing documents. The second session will focus specifically on formatting and customizing documents including adding tables and attachments.

The DGS is a user-friendly web-based system that is used to generate NIH contract and solicitation documents. The DGS database or "workform language" consists of federal, departmental, and locally mandated acquisition clauses and provisions, with associated prescriptions for use, for various types of contracts using the Uniform Contract Format.

The training session information is as follows: Full Functionality training will be from 8:30 am to 11:30 am and DGS Formatting training will be from 1:00 pm to 4:00 pm. Participants will receive Continuous Learning Points for their attendance.

If you have questions regarding the DGS training and registration, please submit your inquiry to Andrea Spinelli, spinella@mail.nih.gov or Arielle Douglas at, arielle.douglas@nih.gov.

To access the DGS and related content, visit the DGS section of the Office of Acquisition Management and Policy site at: [NIH Document Generation System \(DGS\)](#).

Training Information

Acquisition Training at NIH

Acquisition Training Classes that are offered by the NIH Training Center can be accessed at the following link: [Acquisition Management Training](#).

Federal Acquisition Certification Coursework

CON courses and other Federal Acquisition Certification required courses can be found at the [NIH Training Center](#), [Federal Acquisition Institute](#), and [Defense Acquisition University](#).

Section 508 Accessibility Training

Section 508 Accessibility Training courses can be accessed at: [CIT Section 508 Accessibility training website](#).

Green Purchasing Training

Green Purchasing Training and other Green Training courses can be found at: [OALM Green Purchasing Website](#).

As a reminder, per HHS policy, all contracting officers, contract specialists, purchase cardholders, card approving officials, CORs and acquisition staff in job series 1102, 1105, and 1106 are required to take the Green Purchasing training every two calendar years. The training includes online training modules for your convenience.

Questions regarding Green Purchasing Training should be sent to: GreenPurchasing@mail.nih.gov.

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NIH Blanket Purchase Agreement (BPA) Lists Available Online

Lists of all NIH Blanket Purchase Agreements (BPAs) can be found at the NIH Blanket Purchase Agreement [webpage](#).

This location contains Two BPA Lists:

1. Complete vendor alphabetical list;
2. Vendor list sorted by commodity; and

If you have any questions or need further clarification, please contact the BPA helpline at 301-496-5212 or [email](#).

We Would Like to Thank All Those Who Contributed to This and Future Editions of the OALM Newsletter.

The OALM Newsletter will be published six (6) times in calendar year 2016. We encourage staff to submit articles that would be of interest to our readers. We will do our best to include such articles in future editions of the OALM Newsletter.

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If you have any questions or comments regarding the information, policy and/or procedures published in this issue, you may contact Milton Nicholas at the e-mail address above. For future issues please contact the Simplified Acquisitions Helpline on 301-496-0400 or via e-mail at SimplifiedAcquisitionHelp@od.nih.gov and you will be referred to the appropriate editor.